

4 FAH-3 H-660 ACCOUNTING FOR PROPERTY AND EQUIPMENT

*(CT:FMP-79; 08-23-2013)
(Office of Origin: CGFS/FPRA/FAFM)*

4 FAH-3 H-661 TRANSFERRED PROPERTY

(TL:FMP-13; 09-06-2002)

Financial assistance is at times provided by the transfer of property rather than funds. Often this type of assistance is provided under letters of agreement with host nations. The bureau, or post, making the transfer will maintain a record of the transfer including a description of the property transferred, the date of transfer, and the receiving agent. Grants Policy Directive Number 17, Public Diplomacy Property Grants, issued by the Office of Procurement Executive provides specific guidance for acquiring tangible personal property to be transferred under a Public Diplomacy Program Grant.

4 FAH-3 H-662 ACQUIRED BY RECIPIENT

(TL:FMP-13; 09-06-2002)

- a. The Department does not fund financial assistance activities that involve the purchase of real property. For the purposes of the Department, financial assistance, property and equipment refers to an article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost in excess of \$5,000. Items with an acquisition cost less than \$5,000 are classified as supplies, and if otherwise allowable, are chargeable as direct costs to the award. Items with an acquisition cost of \$5,000 or more are allowable as direct costs only if specifically permitted by the award terms and conditions.
- b. Typical grant provisions will provide that the grant recipient gains title to property acquired with grant funds. However, if the bureau determines that property and equipment acquired with award funds will have a useful life in excess of any Federal purpose, the award may contain a provision withholding title to such property. Under such conditions the bureau may require the recipient to furnish the Department with a listing of all nonexpendable property acquired with a value in excess of \$25,000 prior to completion of the project. In such cases, the cognizant bureau will receive the listing and arrange for appropriate disposition of the property.

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4 FAH-3 H-663 THROUGH H-669 UNASSIGNED

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